

VZCZCXRO9355
PP RUEHCHI RUEHDT RUEHHM RUEHNH
DE RUEHKL #0665/01 2121214
ZNY SSSSS ZZH
P 301214Z JUL 08
FM AMEMBASSY KUALA LUMPUR
TO RUEHC/SECSTATE WASHDC PRIORITY 1426
INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

S E C R E T SECTION 01 OF 02 KUALA LUMPUR 000665

SIPDIS

FOR EAP/MTS AND INR

E.O. 12958: DECL: 07/30/2028
TAGS: [PGOV](#) [PINR](#) [KDEM](#) [MY](#)
SUBJECT: UMNO-PAS TALKS PROVOKE CONTROVERSY

Classified By: Political Section Chief Mark D. Clark for reasons 1.4 (b and d).

Summary

1. (S) Prime Minister Abdullah's July 20 revelation of secret meetings between his ruling United Malay National Organization (UMNO) and Malaysian Islamic Party (PAS) beginning shortly after the March 2008 general election sent shock waves through both political coalitions and unsettled PAS itself. Starting with state-level talks in Selangor, PAS President Hadi Awang and Deputy President Nasharuddin proceeded with the UMNO discussions without the knowledge of most party leaders and without formal party endorsement, according to PAS officials opposed to the dialogue. PM Abdullah used one meeting with Nasharuddin to present purported evidence of Anwar Ibrahim's guilt in the pending sodomy case. Nik Aziz, PAS spiritual leader, placed UMNO on the defensive with his surprise call to dissolve both UMNO and PAS in order to form a single Malay Muslim party. PAS's July 31 leadership meeting is intended to determine the future of the dialogue with UMNO. We believe it unlikely the UMNO-PAS talks will progress much further at this point, but UMNO nevertheless has succeeded in creating conflict and division within the top ranks of PAS, and raised concerns over the cohesion of the Pakatan opposition alliance. End Summary.

Select PAS Leaders Hold Covert Talks with UMNO

2. (SBU) Prime Minister Abdullah shocked parties in both political coalitions on July 20 when he announced that UMNO and PAS began secretly meeting shortly after the March 8 general election, with talks ostensibly focusing on Malay unity and Islam. Representatives from the two parties reportedly had met on three occasions by the time of the PM's announcement. The two parties held similar meetings after the 1999 general election when PAS made political inroads in the Malay heartland, but talks went nowhere. PAS suffered a large political set-back in the 2004 general election and UMNO saw no need then for similar outreach. The widespread gains by opposition parties during the March elections motivated UMNO leaders to reach out to PAS, particularly in Selangor and Perak states that fell into opposition hands and where PAS defections could return the states to UMNO control.

3. (C) PAS President Hadi Awang publicly confirmed the PM's revelations and added that he, Deputy President Nasharuddin Mat Isa, and the party's general election director Mustafa Ali (who incidentally was the Deputy Minister when PAS was a coalition partner with UMNO, 1974-77) were involved in the talks with UMNO. PAS Member of Parliament Khalid Samad, who attended the first meeting (but was not invited for subsequent meetings as he was vehemently against any dealings

with UMNO), told polchief the initial encounter was confined to issues relating to Opposition controlled Selangor state. UMNO offered PAS the prospects of sharing power, including offering the Chief Minister and Deputy Chief Minister plus four state cabinet positions if PAS left Pakatan (the Opposition coalition) in that state. Khalid told us PAS rejected the offer. The Selangor meeting, however, led to national level consultations that included PM Abdullah. Hadi Awang, Nasharuddin and Mustafa continued to meet with UMNO without the knowledge of most party executives and without any formal PAS endorsement, according to Khalid and two other senior PAS officials, Zulkifli Ahmad and Hatta Ramli, who oppose the talks.

Nik Aziz: "It is like sleeping with the Enemy"

¶4. (SBU) Kept in the dark about these meetings, Nik Aziz, PAS' influential spiritual leader and Kelantan Chief Minister, reportedly was incensed with party leaders involved in the secret negotiations when information on the talks came to light. He described any form of cooperation with UMNO as "sleeping with the enemy" and warned that it would split the party and create suspicion within Pakatan. He directed that future talks with UMNO downgraded to "informal meetings." On July 26 Nik Aziz appeared to call UMNO's bluff by recommending the dissolution of both UMNO and PAS in order to form a united Malay party based on Islamic principles. Deputy Prime Minister Najib responded for UMNO by saying the proposal required "further study." Government-controlled media outlets, which have played up the UMNO-PAS talks, continued to stress the need for dialogue between PAS and

KUALA LUMP 00000665 002 OF 002

UMNO in the name of Malay unity and Islam while conspicuously ignoring Nik Aziz's proposal. PAS has called a leadership meeting for July 31 to decide on future talks.

¶5. (C) On July 30 senior PAS officials Zulkifli Ahmad and Hatta Ramli indicated to polchief that Nik Aziz's proposed party merger was not genuine, but intended to put UMNO off-balance. These PAS officials anticipated that the July 31 PAS leadership meeting would put sharp limits on further talks with UMNO and possibly rebuke party president Hadi Awang. Nevertheless, the officials admitted PAS was unsettled by the discussions with UMNO, and the false lure, in their view, that an UMNO-PAS alliance could provide PAS with a short cut to achieve its vision of an Islamic state. Both officials worried that if PAS were to formalize a relationship with UMNO, the party would be "trounced" during the next general election.

Abdullah Shows Nasharuddin Evidence Against Anwar

¶6. (S) Zulkifli and Hatta told polchief that, following sodomy allegations against opposition leader Anwar Ibrahim, PM Abdullah met Nasharuddin at Parliament without the presence of other PAS officials. Abdullah presented Nasharuddin with purported evidence of Anwar's guilt in the sodomy case, which Nasharuddin took at face value, Hatta said, "even though this came from our main opponent." The following day Nasharuddin gave a press interview in which he kept open the possibility that Anwar might have committed sodomy, comments which have drawn criticism from the Opposition ranks.

BN and PR Non-Malay Parties React

¶7. (SBU) Non-Malay parties in UMNO's National Front (BN) coalition privately voiced concern over the secret meetings between PAS and UMNO, fearing that a single Malay block would marginalize ethnic minority positions. Nevertheless, some BN elements publicly supported the talks as long as they remain confined to Islam and Malay unity. Pakatan leaders,

particularly from the Chinese-dominated DAP, also expressed concern. DAP Chairman Karpal Singh felt slighted over the secret meetings and suggested other Pakatan coalition members consider expelling PAS from the coalition. Veteran DAP leaders Lim Kit Siang and party secretary general Lim Guan Eng however, suggested that instead of just focusing on Malay unity, PAS and UMNO should focus on Malaysian unity. PKR de facto leader Anwar Ibrahim expressed his confidence PAS would not abandon Pakatan. We attended a rally on July 26, in which Anwar stated he is in constant touch with PAS leaders and spoke personally to PAS President Hadi Awang, who had assured him PAS remained committed to the opposition coalition.

Comment

18. (C) We believe it unlikely the UMNO-PAS talks will progress much further at this juncture. The July 31 PAS leadership meeting will be telling. A number of top PAS leaders, including the highly influential Nik Aziz, reportedly do not view the current talks favorably and there is anger in some quarters over the unsanctioned initiative of Hadi Awang and Nasharuddin. Nevertheless, as a short term tactic, UMNO has succeeded in creating conflict and division within the top ranks of PAS, UMNO's rival for Malay loyalty, and raised concerns regarding the cohesion of the Pakatan opposition alliance.

KEITH